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August 26, 2002

By Hand

Hon. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 714
Washington, D.C. 20423-0001

RECORDATION NO. 23833-B FILED
AUG 26 '02 11:38 AM
SURFACE TRANSPORTATION BOARD

Dear Secretary Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11301(a) are two (2) signed originals of a Memorandum of Release of Security Agreement, dated as of August 14, 2002, which should be recorded as a *secondary* document under STB Recordation No. 23833. (I believe, subject to check, that the next number is No. 23833-B).

The names and addresses of the parties to the enclosed document (and certain related documents) are:

Borrower: National Steel Car Limited/Wagon d'Acier National Limitée
602 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4

Secured Parties: The Bank of Nova Scotia
44 King Street West
Toronto, Ontario M5H 1H1

Bank of Montreal
First Canadian Place
Toronto, Ontario M5X 1A1



Hon. Vernon A. Williams, Secretary
August 26, 2002
Page 2

A description of the railroad equipment covered by the enclosed document is as follows:

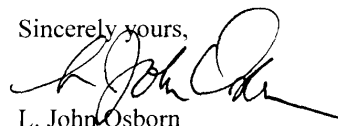
ALL PRESENT AND FUTURE PERSONAL PROPERTY OF THE
BORROWER OF THE NATURE AND TYPE DESCRIBED IN SCHEDULE B
TO THE GENERAL SECURITY AGREEMENT ENTERED INTO BY THE
PARTIES, DATED AS OF DECEMBER 14, 2001

A short summary of the document to appear in the STB Index is as follows:

Memorandum of Release of Security Agreement

Also enclosed is a check in the amount of \$30.00, payable to the order of the Surface Transportation Board, which covers the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned.

Sincerely yours,



L. John Osborn

Enclosures

RECORDATION NO. 23833-B FILED

AUG 26 '02 11-88 AM

MEMORANDUM OF RELEASE OF
SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

made by
NATIONAL STEEL CAR LIMITED/WAGON D'ACIER NATIONAL LIMITÉE
in favor of
THE BANK OF NOVA SCOTIA
And
BANK OF MONTREAL

This RELEASE OF SECURITY AGREEMENT, dated as of August ¹⁴, 2002, is made by NATIONAL STEEL CAR LIMITED/WAGON D'ACIER NATIONAL LIMITÉE, a corporation amalgamated under the laws of Canada (herein called the "Borrower"); THE BANK OF NOVA SCOTIA, a Canadian chartered bank (herein called "BNS"); and BANK OF MONTREAL, a Canadian chartered bank (herein called "BMO") (BNS and BMO collectively referred to herein as the "Banks").

WHEREAS, the Borrower and the Banks previously entered into a certain General Security Agreement, dated as of December 14, 2001, as amended by that certain First Amendment to General Security Agreement (the "First Amendment"), dated as of March 18, 2002 (collectively the "Security Agreement"), under which the Borrower granted to the Banks a security interest in the Collateral as defined in the Security Agreement;

AND WHEREAS, the Collateral included the railroad cars described in Schedule B to the Security Agreement, and ALL PRESENT AND FUTURE PERSONAL PROPERTY OF THE BORROWER OF THE NATURE AND TYPE DESCRIBED IN SCHEDULE B;

AND WHEREAS, the Borrower and the Banks, by executing a Release dated as of July 19, 2002, have terminated the Security Agreement, and the Banks have fully and finally released their security interest in the Collateral;

AND WHEREAS, the Borrower and the Banks, by executing this Memorandum and causing it to be recorded with the appropriate governmental authorities, desire to provide public notice of such termination and release;

AND WHEREAS, this Memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such Memorandum.

IN WITNESS WHEREOF, each of the undersigned pursuant to due corporate authority has caused this Memorandum of Security Agreement to be executed in its respective corporate name by an officer duly authorized, and hereby declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that this Memorandum is a true and correct document and was executed as of the date herein first set forth above.

NATIONAL STEEL CAR LIMITED/WAGON D'ACIER NATIONAL LIMITÉE

By: Cecil Mosselman
Name: Cecil Mosselman
Title: Corporate Secretary

THE BANK OF NOVA SCOTIA

By: A. D.
Name: Andrew Donnelly
Title: Director

BANK OF MONTREAL

By: [Signature]
Name: Michael J. Solski
Title: Director

Province of Ontario)
) SS:
City of Toronto)

C. Wollaston
Signature of Commissioner of Oaths

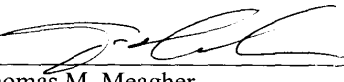
COLLEEN ANNE WOLLASTON, Notary Public,
City of Hamilton-Wentworth, limited to the
attestation of instruments and the taking of
affidavits, for National Steel Car Limited.
Expires April 15, 2004

Seal

CORPORATE FORM OF ACKNOWLEDGMENT

Province of Ontario)
) SS:
City of Toronto)

On this 14th day of August, 2002, before me personally appeared Michael Solski to me personally known, who being by me duly sworn, says that he is a Director – Special Accounts Management of BANK OF MONTREAL, that the foregoing instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



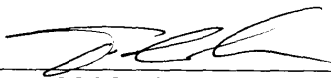
Thomas M. Meagher
Barrister & Solicitor, Notary Public

Seal

CORPORATE FORM OF ACKNOWLEDGMENT

Province of Ontario)
) SS:
City of Toronto)

On this 14th day of August, 2002, before me personally appeared Andrew Donnelly to me personally known, who being by me duly sworn, says that he is a Director – Special Accounts Management of THE BANK OF NOVA SCOTIA, that the foregoing instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Thomas M. Meagher
Barrister & Solicitor, Notary Public